

Radio System projects have been successfully completed. In 2001 a general obligation bond issue provided the County the local portion of funding necessary to construct the Adult Detention expansion, a new Municipal Court building, a new Juvenile Detention facility as well as the funds needed for renovation of the old County Courthouse. The additional improvement projects and estimated construction cost for each are as follows:

<u>Project</u>	<u>Estimated Cost</u>
1) 800 Mhz System Expansion	\$1,200,000
2) Backup Dispatch Center	600,000
3) 911 Phone System Upgrade	500,000
4) Road Projects	Approximately 1,500,000/year
5) Various Improvements and Land Acquisitions	Not Estimated

While the County currently expects to contribute available moneys to the program, a portion will be financed through the issuance of tax-exempt bonds and notes in anticipation of issuance of bonds.

#### **LONG TERM OBLIGATIONS OTHER THAN BONDS AND NOTES**

The County has no other significant long-term obligations other than its lease and pension obligations discussed below.

#### **LEASES AND CONTRACTS**

The County has entered into various contracts and leases for the rental of property and office space throughout the County. The following data represents the amounts expended as of December 31 for the years indicated.

<u>Year</u>	<u>Total Lease Payments</u>
1999	\$192,308
2000	228,245
2001	267,242
2002	272,404
2003	229,430

Source: Clermont County Auditor

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**EMPLOYERS CONTRIBUTION TO  
PUBLIC EMPLOYEES RETIREMENT SYSTEM**

<u>Year</u>	<u>Contribution*</u>	<u>Employer's Contribution</u>
1999	13.55%	\$5,676,196
2000	10.84	3,835,129
2001	13.55	4,947,282
2002	13.55	5,636,520
2003	13.55	6,885,599

\* The contribution rate for the County Sheriff's Department's 1996-1999 was 16.70% employer, 9.0% employee, a temporary contribution rate rollback for 2000 reduced the rate to 15.7%. The retirement Board instituted a temporary employer contribution rate rollback for 2000 the rollback was 20% for local government employees and 6% for law enforcement divisions.

County employees are covered by the Public Employees Retirement System (PERS). This system includes both employee and employer payments. The County's contributions are current and fully met as required by law. Annual contributions include provision for reserves to properly fund pension and other benefits payable on account for creditable service. The system is annually evaluated by nationally recognized actuarial consultants.

The PERS Board has the authority to increase the employee contribution rate up to 10% and the employer rate up to 14%, except as to County Sheriffs and their deputies. Benefits for members of PERS are established under state laws.

The County's annual contribution, which totaled \$6,885,599 for 2003, is treated as a current expense and is included in its operating expenditures.

**LEGAL MATTERS**

**Litigation**

The County is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations but unrelated to any outstanding County debt or the security therefore. The ultimate disposition of these proceedings is not presently determinable but will not, in the opinion of the County Prosecuting Attorney (the legal advisor to the Board of County Commissioners), have a material adverse effect on any outstanding County debt or the security therefor.

**Bond Counsel**

The County retains the legal services of Peck, Shaffer & Williams LLP, Cincinnati, Ohio as Bond Counsel in connection with the issuance of the bonds and notes of the County.

Peck, Shaffer & Williams LLP also serves and has served in a bond counsel capacity for one or more of the political subdivisions that territorially overlap the County.